

**MINUTES  
REGULAR MEETING  
UTILITY SERVICE BOARD  
NOVEMBER 17, 2008**

The Regular Meeting of the Utility Service Board of the City of Jasper, Indiana, was held in the Council Chambers of City Hall in Jasper at 7:00 PM on Monday, November 17, 2008.

The meeting was called to order by Chairman Michael A. Schwenk.

**UPON CALL OF THE ROLL, THE FOLLOWING WERE PRESENT:**

Michael A. Schwenk - Chairman  
Alex Emmons – Vice Chairman  
Doug Schulte - Secretary  
Wayne Schuetter – Water Commissioner  
Mike Harder – Wastewater Commissioner  
Ken Sendelweck – Electric Commissioner

**ALSO PRESENT:**

Jerry Schitter – Electric Distribution Manager  
Windell Toby – Electric Generation Manager  
Michael A. Oeding – Gas & Water Manager  
Ed Hollinden – Wastewater Manager  
Bud Hauersperger – General Manager  
Sandy Hemmerlein – City Attorney

**ABSENT:**

Greg A. Krodel – Gas Commissioner

**PLEDGE OF ALLEGIANCE** (A-14)

Chairman Michael Schwenk led the Pledge of Allegiance.

**QUOTE OPENING: CHEMICALS FOR 2009 – GAS & WATER** (A-22)

Sandy Hemmerlein opened the chemical quotes and read them aloud. Quotes were received from the following companies:

1. Alexander Chemical
2. Brenntag Mid South
3. Chemical Resources
4. General Chemical
5. JCI Jones Chemicals
6. Mississippi Lime
7. Sal Chemical Co.

8. USALCO
9. Water Solutions

Mike Oeding stated he would like to take the quotes under advisement and present a comparison and the results at the December meeting.

Alex Emmons made a motion for Mike Oeding to take the quotes under advisement and report back at the December meeting. Ken Sendelweck seconded the motion. Motion approved, 6-0.

#### **APPROVAL OF MINUTES** (A-216)

Chairman Michael Schwenk presented the minutes of the October 20, 2008, Regular Meeting and there being no corrections or amendments, asked for a motion to approve. Doug Schulte made a motion to approve the minutes of the October meeting as presented. Wayne Schuetter seconded the motion. Motion approved, 6-0.

#### **2009 CAPITAL EXPENDITURE PLAN – ELECTRIC DISTRIBUTION** (A-229)

Jerry Schitter presented his 2009 Capital Expenditure Plan to each Board Member and briefly reviewed each item. He invited the Board Members to contact him with any questions or concerns.

#### **ISC SERVICE AGREEMENT** (A-257)

Schitter stated that the National Electric Safety Code mandated that all utilities have an arc flash study done on their system by the end of 2008. To do this study, an engineering firm needs to take all the data from our system and run it through a software program to find out what kind of clothing and equipment can be operated with at any part of the system. This is being mandated for the safety of the employees.

ISC is the engineering group with IMPA. Schitter said ISC would be able to do the study by the end of the year for a fee not to exceed \$3,000 per substation. Jasper has four substations. The maximum cost would be \$12,000.

Ken Sendelweck made a motion to accept the service agreement from ISC to do the arc flash analysis. Mike Harder seconded the motion. Motion approved, 6-0.

#### **MUTUAL AID AGREEMENT WITH DUBOIS REC** (A-294)

Schitter said that after the wind damage was done on September 14<sup>th</sup>, Dubois REC requested our assistance to get some of their customers back on-line. REC has since been billed and paid for the work that our employees did for them. They now need to get reimbursed from FEMA for this work and need a mutual aid agreement with us. Schitter thought we already had an agreement set up with them, but this was not the case.

Schitter then asked for approval to sign a one time only mutual aid agreement with Dubois REC for this instance so they can get reimbursed from FEMA. He said that he and Sandy Hemmerlein would work on setting up a permanent mutual aid agreement with Dubois REC to use in future instances.

Mike Harder made a motion to accept the mutual aid agreement with Dubois REC. Wayne Schuetter seconded the motion. Motion approved, 6-0.

#### **UPDATE ON POWER PLANT** (A-335)

Windell Toby informed the Board that the Power Plant was put back on-line on Sunday, but was shut down again today due to hard water problems. They are not sure what is causing the problems, but should be able to find it tomorrow.

#### **ELECTRIC PLANNING COMMITTEE REPORT** (A-344)

Ken Sendelweck, Chairman of the Electric Planning Committee, stated the committee met on November 13<sup>th</sup>. The ISC service agreement, mutual aid agreement with Dubois REC and capital expenditure plan were briefly reviewed at the meeting.

Sendelweck said the major topic during the meeting was an update on the rate study being done by Umbaugh and Associates. Initially looking at the study, Umbaugh is proposing over an 11% increase, while approximately a 13% increase is expected from IMPA. The Committee is discussing ways to possibly mitigate the increase in some fashion. The last rate increase was done in 1996.

The Committee also wants to do some benchmarking with some area utilities to make sure Jasper is still competitive for the rate payers and from an economic development standpoint. The Power Plant was also discussed and the “marginal” costs or operating losses that are occurring at the Plant.

Sendelweck also reported that Bud Hauersperger had met with SAIC who is working with the State and Department of Energy and Defense. They are doing some research on smaller generating plants in the State in terms of safety and security issues.

Sendelweck said that Jasper was not awarded the Environmental Biomass Study grant that was referred by the DCADC. However, much good has come out of applying for the grant as Bud is being contacted by many people who are now aware that Jasper wants to do a study to look for other alternatives with regards to the Power Plant.

The Committee has asked Umbaugh to do some more number crunching by the different rate categories and do some benchmarking as stated earlier. The Committee will meet again in December to make a recommendation for next month’s Board Meeting.

#### **2009 CAPITAL EXPENDITURE PLAN – GAS & WATER** (A-460)

Mike Oeding presented his 2009 Capital Expenditure Plan to each Board Member and briefly reviewed each item. He invited the Board Members to contact him with any questions or concerns.

#### **UPDATE ON SR 162 GAS LINE CONNECTOR PROJECT** (A-604)

Oeding stated that this project is complete. It was on-line as of 9:00 AM this morning and is operating as expected. This project is done ahead of schedule due to being able to use employees

from the Power Plant while it was shut down. Oeding said they did a great job and their help was much appreciated.

#### **LAST HEDGE FOR WINTER GAS** (A-509)

According to Oeding, the last hedge for winter gas was made on November 7<sup>th</sup>. Just under \$2.5 million of gas has been hedged for the winter months. About 50% of the gas needed for the winter has been hedged.

#### **APPROVAL TO RE-BID CHURCH AVE. WATER LINE PROJECT** (A-520)

Oeding stated he needs to get permission to re-bid the Church Avenue Water Line Project to open the bids at the December meeting.

Alex Emmons made a motion to re-bid the Church Avenue Water Line Project as requested. Wayne Schuetter seconded the motion. Motion approved, 6-0.

#### **CHEMICAL CHANGE AT WATER PLANT** (A-529)

Oeding said Tim Doersam has been working on this project for the last several months. They would like to switch from alum to a PAC that will replace the alum.

The PAC is a mixture of polymer and alum, with a lot less alum in it. It is more expensive than alum; however they will use less of the PAC than they would the alum. Plus, less lime would be used, no polymer would be needed, and it should generate less sludge.

Oeding stated the PAC is a much better product, will put a lot less chemical into the system, will save money, and will cut back on the sludge hauling also.

#### **GAS PLANNING COMMITTEE REPORT** (A-593)

Mike Oeding, Gas and Water Manager, stated the committee did not meet during the past month.

#### **WATER PLANNING COMMITTEE REPORT** (A-594)

Wayne Schuetter, Chairman of the Water Planning Committee, stated the committee did not meet during the past month.

#### **2009 CAPITAL EXPENDITURE PLAN – WASTEWATER** (A-595)

Ed Hollinden presented his 2009 Capital Expenditure Plan to each Board Member and briefly reviewed each item. He invited the Board Members to contact him with any questions or concerns.

#### **ROOF REPLACEMENT COMPLETED** (A-636)

Hollinden reported to the Board that the roof replacement on the line collection building has been completed.

**WASTEWATER PLANNING COMMITTEE REPORT** (A-638)

Mike Harder, Chairman of the Wastewater Planning Committee, stated the committee did not meet during the past month.

**2009 CAPITAL EXPENDITURE PLAN – BUSINESS OFFICE** (A-640)

Bud Hauersperger presented his 2009 Capital Expenditure Plan to each Board Member and briefly reviewed each item. He invited the Board Members to contact him with any questions or concerns.

**RESOLUTION RECOMMENDING CHANGE OF RECONNECTION FEE** (A-660)

Hauersperger explained that some of the disconnection and reconnection fees were to be discussed at the Electric Planning Committee meeting, but due to the lack of time, this issue was not covered. Hauersperger hopes to talk about this issue at the next Committee meeting and have the Resolution ready for the December Board meeting.

Sandy Hemmerlein passed out a copy of the Ordinance with the proposed changes and a memo outlining all of the changes to each Board Member for their review before the next meeting.

**FINANCE COMMITTEE REPORT & PRESENTATION OF CLAIM DOCKET** (A-683)

Doug Schulte reported the Finance Committee had met and reviewed the claims on the Claim Docket.

The Finance Committee recommended approval of the claims as presented.

Ken Sendelweck made a motion to approve the claims as presented. Alex Emmons seconded the motion. Motion approved, 6-0.

**MISCELLANEOUS UPDATES** (A-691)

Sandy Hemmerlein stated that she received a letter from IDEM saying that the City of Jasper has met the requirements of the Agreed Order on the Power Plant issue.

Hemmerlein said she also hopes to close on the Jasper Chair property sometime this week.

There being no further business to come before the Board, the meeting was adjourned at 7:50 PM upon motion by Wayne Schuetter and second by Doug Schulte. Motion approved, 6-0.

The minutes were hereby approved \_\_\_\_\_ with \_\_\_\_\_ without corrections this \_\_\_\_\_ day of \_\_\_\_\_, 2008.

Attest: \_\_\_\_\_  
Secretary Chairman